

Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
May 17, 2006

Present: Directors Tobias, Heinisch,, Casella, Dubin, Ubl, Daugherty

Absent Directors: Kloster

Also Present: Scavotto, C. Anderson, P. Anderson, Bockman

Chair Heinisch called the meeting to order at 7:05 am.

A quorum was established and the agenda was approved as submitted (Motion by Tobias (second Casella). Minutes of the previous meeting were reviewed and approved by unanimous consent (motion Tobias, second Casella).

Old Business: None

New Business

Management Report: Scavotto and Anderson reviewed operations summarized where DCRNC stands year-to-date. Even though the financial statements for March and April are preliminary, the year-to-date loss is approximately \$130k. There is an increase of \$47k in depreciation expense over last year's amount, and this variance is getting checked out. Operating revenues are up over last year by 0.5 percent. Private pay is up 5 percent. The leading causes of our poor revenue performance are Other Revenues (down 12 percent) and Medicare (down 7 percent). The main factor effecting Medicare is a decrease in orthopedic volume. The clinical staff appears to be coping with the shift to RUGs-53; the per diem is up to \$400, but volumes are not what the have been in the past.

Labor costs are getting the greatest attention as this classification represents the biggest controllable cost. Hours per day have remained constant; the staffing pattern has not changed form last year. FLSA overtime reporting may well prove to be a factor in increased salary expense.

Overall, expenses are up about 3.5 percent over last year and this is well within normal (and budgeted) limits. Revenues have not increased with expenses.

Public Relations: Dick Ubl led a discussion on improving DCRNC's use of the media. There was unanimous agreement that name recognition could be improved and that the nursing could be more aggressive in its approach to marketing.

Next Meeting

July 26, 2006. Meeting adjourned at 8:00AM. (motion Daugherty, second Ubl, unanimous).

Respectfully submitted.

Catherine Anderson
Recording Secretary